### **DEPARTMENT OF COMMERCE**

**International Trade Administration** 

[A-122-857, C-122-858]

Certain Softwood Lumber Products from Canada: Continuation of Antidumping and Countervailing Duty Orders

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: As a result of the determinations by the U.S. Department of Commerce (Commerce) and the U.S. International Trade Commission (ITC) that revocation of the antidumping duty (AD) and countervailing duty (CVD) orders on certain softwood lumber products (softwood lumber) from Canada would likely lead to the continuation or recurrence of dumping and countervailable subsidies, and material injury to an industry in the United States, Commerce is publishing a notice of continuation of these AD and CVD orders.

**DATES:** Applicable December 28, 2023.

**FOR FURTHER INFORMATION CONTACT:** Zachary Shaykin, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2638.

### SUPPLEMENTARY INFORMATION:

# **Background**

On January 3, 2018, Commerce published in the *Federal Register* the AD and CVD orders on softwood lumber from Canada.<sup>1</sup> On December 1, 2022, the ITC instituted,<sup>2</sup> and

<sup>&</sup>lt;sup>1</sup> See Certain Softwood Lumber Products from Canada: Antidumping Duty Order and Partial Amended Final Determination, 83 FR 350 (January 3, 2018); and Certain Softwood Lumber Products from Canada: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order, 83 FR 347 (January 3, 2018) (collectively, Orders).

<sup>&</sup>lt;sup>2</sup> See Softwood Lumber Products from Canada; Institution of Five-Year Reviews, 87 FR 73778 (December 1, 2022).

Commerce initiated,<sup>3</sup> the first sunset review of the *Orders*, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act). As a result of its reviews, Commerce determined that revocation of the Orders, would likely lead to the continuation or recurrence of dumping and countervailable subsidies, and therefore, notified the ITC of the magnitude of the margins of dumping and subsidy rates likely to prevail should the *Orders* be revoked.<sup>4</sup>

On December 28, 2023, the ITC published its determination, pursuant to sections 751(c) and 752(a) of the Act, that revocation of the Orders would likely lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.5

## Scope of the *Orders*

The merchandise covered by the *Orders* is softwood lumber, siding, flooring, and certain other coniferous wood (softwood lumber products). The scope includes:

- Coniferous wood, sawn, or chipped lengthwise, sliced or peeled, whether or not planed, whether or not sanded, or whether or not finger-jointed, of an actual thickness exceeding six millimeters.
- Coniferous wood siding, flooring, and other coniferous wood (other than moldings and dowel rods), including strips and friezes for parquet flooring, that is continuously shaped (including, but not limited to, tongued, grooved, rebated, chamfered, V-jointed, beaded, molded, rounded) along any of its edges, ends, or faces, whether or not planed, whether or not sanded, or whether or not end-jointed.
- Coniferous drilled and notched lumber and angle cut lumber.

<sup>&</sup>lt;sup>3</sup> See Initiation of Five-Year (Sunset) Reviews, 87 FR 73757 (December 1, 2022).

<sup>&</sup>lt;sup>4</sup> See Certain Softwood Lumber Products from Canada: Final Results of the Expedited Sunset Review of the Countervailing Duty Order, 88 FR 19613 (April 3, 2023), and accompanying Issues and Decision Memorandum (IDM); see also Certain Softwood Lumber Products from Canada: Final Results of the Expedited First Sunset Review of the Antidumping Duty Order, 88 FR 20479 (April 6, 2023), and accompanying IDM.

<sup>&</sup>lt;sup>5</sup> See Softwood Lumber Products from Canada, 88 FR 89726 (December 28, 2023).

- Coniferous lumber stacked on edge and fastened together with nails, whether or not with plywood sheathing.
- Components or parts of semi-finished or unassembled finished products made from subject merchandise that would otherwise meet the definition of the scope above.

Finished products are not covered by the scope of these *Orders*. For the purposes of this scope, finished products contain, or are comprised of, subject merchandise and have undergone sufficient processing such that they can no longer be considered intermediate products, and such products can be readily differentiated from merchandise subject to these *Orders* at the time of importation. Such differentiation may, for example, be shown through marks of special adaptation as a particular product. The following products are illustrative of the type of merchandise that is considered "finished" for the purpose of this scope: I-joists; assembled pallets; cutting boards; assembled picture frames; garage doors.

The following items are excluded from the scope of these *Orders*:

- Softwood lumber products certified by the Atlantic Lumber Board as being first produced
  in the Provinces of Newfoundland and Labrador, Nova Scotia, or Prince Edward Island
  from logs harvested in Newfoundland and Labrador, Nova Scotia, or Prince Edward
  Island.
- U.S.-origin lumber shipped to Canada for processing and imported into the United States if the processing occurring in Canada is limited to one or more of the following: (1) kiln drying; (2) planing to create smooth-to-size board; or (3) sanding.
- Box-spring frame kits if they contain the following wooden pieces—two side rails, two end (or top) rails and varying numbers of slats. The side rails and the end rails must be radius-cut at both ends. The kits must be individually packaged and must contain the exact number of wooden components needed to make a particular box-spring frame, with no further processing required. None of the components exceeds 1" in actual thickness or 83" in length.

 Radius-cut box-spring-frame components, not exceeding 1" in actual thickness or 83" in length, ready for assembly without further processing. The radius cuts must be present on both ends of the boards and must be substantially cut so as to completely round one corner.

Softwood lumber product imports are generally entered under Chapter 44 of the Harmonized Tariff Schedule of the United States (HTSUS). This chapter of the HTSUS covers "Wood and articles of wood." Softwood lumber products that are subject to these *Orders* are currently classifiable under the following ten-digit HTSUS subheadings in Chapter 44: 4406.91.0000; 4407.10.01.01; 4407.10.01.02; 4407.10.01.15; 4407.10.01.16; 4407.10.01.17; 4407.10.01.18; 4407.10.01.19; 4407.10.01.20; 4407.10.01.42; 4407.10.01.43; 4407.10.01.44; 4407.10.01.45; 4407.10.01.46; 4407.10.01.47; 4407.10.01.48; 4407.10.01.49; 4407.10.01.52; 4407.10.01.53; 4407.10.01.54; 4407.10.01.55; 4407.10.01.56; 4407.10.01.57; 4407.10.01.58; 4407.10.01.59; 4407.10.01.64; 4407.10.01.65; 4407.10.01.66; 4407.10.01.67; 4407.10.01.68; 4407.10.01.69; 4407.10.01.74; 4407.10.01.75; 4407.10.01.76; 4407.10.01.77; 4407.10.01.82; 4407.10.01.83; 4407.10.01.92; 4407.10.01.93; 4407.11.00.01; 4407.11.00.02; 4407.11.00.42; 4407.11.00.43; 4407.11.00.44; 4407.11.00.45; 4407.11.00.46; 4407.11.00.47; 4407.11.00.48; 4407.11.00.49; 4407.11.00.52; 4407.11.00.53; 4407.12.00.01; 4407.12.00.02; 4407.12.00.17; 4407.12.00.18; 4407.12.00.19; 4407.12.00.20; 4407.12.00.58; 4407.12.00.59; 4407.13.0000; 4407.14.0000; 4407.19.0001; 4407.19.0002; 4407.19.0054; 4407.19.0055; 4407.19.0056; 4407.19.0057; 4407.19.0064; 4407.19.0065; 4407.19.0066; 4407.19.0067; 4407.19.0068; 4407.19.0069; 4407.19.0074; 4407.19.0075; 4407.19.0076; 4407.19.0077; 4407.19.0082; 4407.19.0083; 4407.19.0092; 4407.19.0093; 4409.10.05.00; 4409.10.10.20; 4409.10.10.40; 4409.10.10.60; 4409.10.10.80; 4409.10.20.00; 4409.10.90.20; 4409.10.90.40; 4418.30.0100; 4418.50.0010; 4418.50.0030; 4418.50.0050; and 4418.99.10.00.

Subject merchandise as described above might be identified on entry documentation as stringers, square cut box-spring-frame components, fence pickets, truss components, pallet

components, flooring, and door and window frame parts. Items so identified might be entered under the following ten-digit HTSUS subheadings in Chapter 44: 4415.20.40.00; 4415.20.80.00; 4418.99.9105; 4418.99.9120; 4418.99.9140; 4418.99.9195; 4421.99.70.40; and 4421.99.9880.

Although these HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these *Orders* is dispositive.

## Continuation of the *Order*s

As a result of the determinations by Commerce and the ITC that revocation of the *Orders* would likely lead to continuation or recurrence of dumping, countervailable subsidies, and material injury to an industry in the United States, pursuant to section 751(d)(2) of the Act, Commerce hereby orders the continuation of the *Orders*. U.S. Customs and Border Protection will continue to collect AD and CVD cash deposits at the rates in effect at the time of entry for all imports of subject merchandise.

The effective date of the continuation of the *Orders* is December 28, 2023.<sup>6</sup> Pursuant to section 751(c)(2) of the Act and 19 CFR 351.218(c)(2), Commerce intends to initiate the next five-year reviews of the *Orders* not later than 30 days prior to fifth anniversary of the date of the last determination by the ITC.

## Administrative Protective Order (APO)

This notice also serves as a final reminder to parties subject to an APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

<sup>&</sup>lt;sup>6</sup> *Id*.

# Notification to Interested Parties

These five-year (sunset) reviews and this notice are in accordance with sections 751(c) and 751(d)(2) of the Act and published in accordance with section 777(i) of the Act and 19 CFR 351.218(f)(4).

Dated: January 4, 2024.

## Abdelali Elouaradia,

Deputy Assistant Secretary for Enforcement & Compliance.

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